Prohibited Goods Recovered from PM's Plane

1922. SHRI PASUMPON THA KIRUTTINAN:

SHRI V. GOPALSAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to news item "Huge drugs, silver haul from PM's Stand by Plane" appeared in the Indian Express (Madurai) on 24th May, 1993;

(b) if so, what are the details of smuggled/prohibited goods recovered from the plane;

(c) whether any enquiry has been conducted into the episode; if so, what are the details of the findings;

(d) whether any arrest has been made in this connection so far;

(e) whether any case has been filed so far, if so, what are the details thereof; and

(f) what steps are being taken in future to prevent such incidents from taking place?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) Smuggled goods recovered from the plane are 36 Kgs of silver (consisting of 32.5 Kgs of silver granules and 3.5 Kgs of cylindrical silver bars) totally valued at Rs. 2,16,000. No drugs were recovered.

(c) to (e) Seizure was effected unclaimed. No arrest has been made.

(f) Field formations have been alerted to remain vigilant.

Steps to check Illegal Flow of Foreign Exchange

1923. SMT. KAMLA SINHA:

DR. BAPU KALDATE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that according to the Enforcement Directorate the outflow of illegal exchange (FOREX) via Vostro accounts is anticipated to be much higher than originally estimated;

(b) if so, what are the details thereof stating the estimated illegal transfer of foreign exchange as against the earlier estimation during 1991-92 and 1992-93;

(c) the names of the banks involved and the modus operandi of the racket identified; and

(d) the action taken/proposed to be taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI M. V. CHANDRASHEKHAR MURTHY): (a) (b) Such transactions are made clandestinely and it is not possible to make reliable estimates of their volume.

(c) The non-convertible rupee funds held by BFEA (Bank for Foreign Economic Affairs) of USSR in some banks in India were converted into convertible rupee and the amounts were credited to the VOSTRO accounts (convertible) of certain foreign/overseas banks namely Standard Chartered Bank, UK; GIRO Bank, UK and Bank of Ireland, Dublin. These transactions were carried out in India by Standard Chartered Bank, Bombay; ANZ Grindlays Bank, Bombay and Indian Overseas Bank, Madras.

(d) Adjudication proceedings have been initiated against the concerned Banks/persons under FERA, 73.

NRI Invesment in Companies

1924. SHRI SANGH PRIYA GAUTAM:

DR. NAUNIHAL SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that NRI investor is allowed to buy equity shares of only a single company upto one per cent of the total paid up value of equity capital of the company concerned with repatriation rights; and

(b) whether it is a fact that the total purchase made under the scheme by all eligible categories of NRI's should not exceed five per cent of the total paid up value of equity capital of the company?